VZCZCXRO7830 PP RUEHFK DE RUEHKO #2195 1362337 ZNR UUUUU ZZH P 162337Z MAY 07 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC PRIORITY 3626 RUEKJCS/SECDEF WASHDC PRIORITY RUCPDOC/USDOC WASHDC PRIORITY RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY RUYNAAC/COMNAVFORJAPAN YOKOSUKA JA PRIORITY RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY RHHMHBA/COMPACFLT PEARL HARBOR HI//N541// PRIORITY RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA// PRIORITY RUHBANB/OKINAWA FLD OFC US FORCES JAPAN CP BUTLER JA PRIORITY RUALSFJ/COMUSJAPAN YOKOTA AB JA PRIORITY INFO RUEHFK/AMCONSUL FUKUOKA 1106 RUEHOK/AMCONSUL OSAKA KOBE 4658 RUEHBJ/AMEMBASSY BEIJING 7027 RUEHMO/AMEMBASSY MOSCOW 1659 RUEHUL/AMEMBASSY SEOUL 3090 RUCNDT/USMISSION USUN NEW YORK 4268 RHEHAAA/NSC WASHDC

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SUBJECT: MEDIA REACTION - US-RUSSIA RELATIONS - TOKYO

- 11. LEAD STORIES: Wednesday morning's conservative Sankei front-paged a report quoting a source familier with Japanese and Taiwanese military affairs as disclosing on Tuesday that China is developing anti-ship missiles to possibly counter US aircraft carriers in the event of a cross-straits military contingency.
- "Growing Friction Between US and Russia" Moscow **¶**2. correspondent Sakai of the business-oriented Nihon Keizai wrote (5/16): "The US and Russia have become more confrontational toward each other, with both Presidents Bush and Putin putting the finishing touches on their terms in office and finding it difficult to compromise before presidential elections next year that will determine their successors. As things stand, there is no easy way for them to improve bilateral relations. The USQs plan to deploy a missile defense system in Eastern Europe rapidly worsened ties. Putin has since announced that Russia would no longer observe the 1990 Conventional Forces in Europe Treaty, and that it would provide a nuclear reactor to the Burmese government.... Russia has also adopted a strategy of seeking to expand an 'anti-US league' by concluding a strategic partnership with China, assisting in the construction of a nuclear power plant in Iran, and sending arms to Venezuela in return for natural gas.... Russia's hard-line stance is serving to limit America's diplomatic options, as the Bush administration does not want to see relations with Russia further deteriorate over Iran and North Korea. To break the stalemate, Washington has taken action to promote dialogue with Moscow by holding a 2+2 meeting of US and Russian foreign and defense ministers. Nonetheless, Secretary of State Rice's recent visit to Russia was not

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